
STATUTORY INSTRUMENTS

1990 No. 1504

The Companies (No. 2) (Northern Ireland) Order 1990

PART V

FINANCIAL MARKETS AND INSOLVENCY

Market charges

Market charges

95.—(1) In this Part “market charge” means a charge, whether fixed or floating, granted—

- (a) in favour of a recognised investment exchange, for the purpose of securing debts or liabilities arising in connection with the settlement of market contracts,
- [^{F1}(aa) in favour of The Stock Exchange, for the purpose of securing debts or liabilities arising in connection with short term certificates;]
- (b) in favour of a recognised clearing house, for the purpose of securing debts or liabilities arising in connection with their ensuring the performance of market contracts, or
- (c) in favour of a person who agrees to make payments as a result of the transfer[^{F1} or allotment] of specified securities made through the medium of a computer-based system established by the Bank of England and The Stock Exchange, for the purpose of securing debts or liabilities of the transferee[^{F1} or allottee] arising in connection therewith.

(2) Where a charge is granted partly for purposes specified in paragraph (1)(a), [^{F1} (aa),] (b) or (c) and partly for other purposes, it is a “market charge” so far as it has effect for the specified purposes.

(3) [^{F1} In paragraph (1)—

“short term certificate” means an instrument issued by The Stock Exchange undertaking to procure the transfer of property of a value and description specified in the instrument to or to the order of the person to whom the instrument is issued or his endorsee or to a person acting on behalf of either of them and also undertaking to make appropriate payment in cash, in the event that the obligation to procure the transfer of property cannot be discharged in whole or in part;

“specified securities” means securities for the time being specified in the list in Schedule 1 to the Stock Exchange Transfer Act 1982, and includes any right to such securities; and

“transfer”, in relation to any such securities or right, means a transfer of the beneficial interest.

(4) The Department may by regulations make further provision as to the charges granted in favour of any such person as is mentioned in paragraph (1)(a), (b) or (c) which are to be treated as “market charges” for the purposes of this Part; and the regulations may add to, amend or repeal the provisions of paragraphs (1) to (3).

(5) The regulations may provide that a charge shall or shall not be treated as a market charge if or to the extent that it secures obligations of a specified description, is a charge over property of a specified description or contains provisions of a specified description.

Changes to legislation: There are currently no known outstanding effects for the The Companies
(No. 2) (Northern Ireland) Order 1990, Section 95. (See end of Document for details)

(6) Before making regulations under this Article in relation to charges granted in favour of a person within paragraph (1)(c), the Department shall consult the Treasury and the Bank of England.

F1 SR 1991/443

Modifications etc. (not altering text)

C1 [Art. 95](#) applied (with modifications) (8.2.2011) by [Investment Bank Special Administration Regulations 2011 \(S.I. 2011/245\)](#), regs. 1, 8(7), 9, 15, 16-21, 24-26, **Schs. 1-5**

Changes to legislation:

There are currently no known outstanding effects for the The Companies (No. 2) (Northern Ireland) Order 1990, Section 95.